

March 2, 1981

Memo to File:

RE: Sum Company
Oljeto (Chum) Mine
ACT/037/029
San Juan County, Utah

On February 26, 1981, the Sum Company appeared before the Board of Oil, Gas and Mining as a result of the Emergency Cessation Order and Order to Show Cause issued by the Board on February 5, 1981. Testimony was presented by the Sum Company, Division staff and representatives of the Division of State Lands and the Division of State Health.

Concluding testimony, the Board decided that the total acreage disturbed by the mining operation was less than two acres and, therefore, exempt under the Utah Mined Land Reclamation Act, leaving the Board and Division without further jurisdiction in the matter. Concerns regarding this operation lie with the Divisions of State Health and State Lands.

Following the hearing, a meeting with the Sum Company representatives, Ms. Anne Stirba, representing the Division of State Lands, and Jim Smith, of Oil, Gas and Mining was held. This meeting concerned the actions to be taken by the Sum Company to satisfy the requirements of the lease agreement with State Lands. It was determined that the Sum Company would revise its mining and reclamation plan next week and submit it to the Division of Oil, Gas and Mining for review and recommendation for approval to State Lands. A bond has already been obtained by the Sum Company and submitted to State Lands in the amount of \$10,000. No mining will take place until approval of the mining and reclamation plan has been issued by State Lands. The matter concerning the mine water discharge will be handled by the Division of State Health, Bureau of Water Pollution Control.

Should the operation exceed the two acre limitation, a newly revised mining and reclamation plan would be resubmitted to the Division of Oil, Gas and Mining per its statute and regulations.

JWS
JAMES W. SMITH, JR.
COORDINATOR OF MINED
LAND DEVELOPMENT

cc: John Blake, State Lands
Steve McNeal, Bureau of Water Pollution Control

JWS/btm